Development of Indian Industries

††416. SHRI RAMA SHANKER KAUSHIK:
PROF. RAM GOPAL YADAV:

Will the Minister of COMMERCE AND INDUSTRIES be pleased to state:

(a) the reasons due to which Indian industries are not able to sustain in the international market from export point of view; and

(b) what basic facilities are being considered to be given by Government for the development of domestic industries to ensure their stability in international market for promotion of export and to complete with multi-national companies and by when?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN) : (a) Slow export growth during the previous and the current years can be attributed to both internal constraints as well as external development. Uneven supply of exportable surplus of agricultural and allied products, constraints of infrastructure and other impediments like narrow basket of exportable goods, slow rate of modernisation of the tradable goods sector, poor quality and inadequate availability of power and our inability to attract direct foreign investment in the export industries are some of the internal causes. Quality constraints, financial and credit related problems, problem of brand image and other supply-side constraints are major external factors.

The external situation has also contributed to slowing down of our export efforts. The South East Asian crisis, as well as the crisis in Russia and some of the Latin American countries affected our exports to these regions as also our competitiveness in a number of sectors. Further there was a fall in prices of many commodities leading to lower unit value realisation, though quantities of exports has increased in most cases. The poor export performance exhibited last year was largely in line with the world trend.

(b) Export promotion is a continuous and ongoing process and steps are taken to boost exports, in consultation with trade and industry, as and when required. A strong emphasis is being placed on improving the basic infrastructure in the country. Export Promotion measures include multilateral and bilateral initiatives and identification of trust sectors and focus regions alongwith rationalisation of policies and procedures. The following measures, *inter-alia*, have been introduced in the latest Export Import Policy, announced

† Original notice of the question was received in Hindi

on 31st March, 2000 to help boost exports: setting up of Special Economic Zones, Involvement of state Governments in export promotion efforts, initiatives relating to e-commerce, rationalisation of existing export promotion schemes, rationalisation in certain specific sectors, encouragement of export of quality/ branded goods and further procedural simplifications.

Growth Centres approved for Gujarat

*417. SHRI AHMED PATEL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) what is the present status of each of the growth Centres approved for the State of Gujarat;

(b) whether the State Government of Gujarat is submitting quarterly progress report on the growth centres regularly;

(c) if not, the reasons therefor; and

(d) what action the Central Government have taken for the same?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN) : (a) The progress reported by the State Government of Gujarat on the implementation of the three growth centres approved for that State as on 31.12.1999 is as follow:

Vagra (District Bharauch): A number of plots have been developed and allotted. Infrastructure relating to road, water supply, drainage and power supply has been developed to a large extent. Full Central assistance of Rs. 10 crores has been released for this growth centre.

Palanpur (District Banaskantha): A part of the land required for the growth centre has been acquired for development of infrastructure. Central assistance amounting to Rs. 100 lakhs has been released for this growth centre.

Gandhidham (District Kutch) : The land acquisition for the growth centre is not yet complete. Central assistance amounting to Rs. 100 lakhs has been released for this growth centre.

(b) to (d) Progress report for the quarter ended 31.12.1999 has been received from the State Government/implementing agency in respect of all the three growth centres. Sometimes, there is delay in receipt of quarterly progress report from the State Government. Whenever there is delay, the State Government is advised to furnish the report expeditiously.